

Idaho utilities strike wind-power deal

Associated Press

Published: March 2, 2008

TWIN FALLS, Idaho — State utility regulators say a nearly three-year dispute between Idaho utility companies and wind-farm developers has been resolved.

The agreement between wind-power developers, Idaho Power Co., Avista Power Co. and other utilities settles three cases before the Idaho Public Utilities Commission on just how much it costs to add wind power to the public utility grid.

"This was really a joint agreement between Idaho Power and our wind-farm developers," Idaho Power spokesman Dennis Lopez told The Times-News. "It was a discussion that lasted two or three years, and it certainly was a long and strange journey."

The commission established an amount that utilities can assess wind-farm developers to make up for the costs of integrating wind power into the grid. The commission also removed a cap on the size of small-power projects that can qualify for a power rate set by the commission.

The case started in 2005, when Idaho Power asked the commission to suspend small-power, wind-farm development so it could study how much it costs the utility to provide back-up power when wind output fluctuates.

The commission refused to suspend wind-farm development, but agreed to reduce the size of what is considered "small-power" wind projects from 10 megawatts to 100 kilowatts.

Under the settlement, wind developers agreed to share the cost of wind forecasting services and to provide guarantees that their projects would be mechanically able to generate at full output roughly 85 percent of the time. Idaho Power and another utility get a discount that increases as more wind power is added to the system, but that is capped at \$6.50 per megawatt hour.

"The commission finds that the costs of wind integration are real, not illusory," the commission said in a written statement.

Wind-powered electricity is gaining popularity in the United States, and several wind-farm developers have considered setting up wind farms in Idaho. Renewable Energy Systems America Developments has proposed a 185-turbine wind farm, called China Mountain, on 9,000 acres between Twin Falls and Jackpot, Nev. Power from that project would initially be used by Nevada utilities.

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